



**Memorandum of Understanding on Cooperation
between
the Bangko Sentral ng Pilipinas and the Czech National Bank**

The Bangko Sentral ng Pilipinas (BSP), which is the central monetary authority of the Philippines and responsible for the supervision and regulation of the operations and activities of banks, quasi-banks, trust entities and other financial institutions as provided by Philippine law,

and

The Czech National Bank (CNB), which is the central bank of the Czech Republic, the supervisor of the Czech financial market and the Czech resolution authority,

showing mutual interest in establishing beneficial cooperation and exchange of information and experience in financial market areas within their respective jurisdictions, have agreed upon the following:

Article 1

For the purposes of this Memorandum of Understanding (MoU):

1. "Parties" refers to the BSP and the CNB; and
2. "Law" refers to the applicable law, regulation, rule, or requirement of the Republic of the Philippines and the Czech Republic.

Article 2

The Parties agree to establish beneficial cooperation and exchange of information and experience in financial market areas within their respective jurisdictions.

Article 3

The Parties agree to establish and facilitate cooperation in various mutually beneficial ways and through various channels such as sharing experience through regular exchange of information, policy dialogue and technical cooperation. Technical cooperation may *inter alia* take the form of joint seminars and workshops, training programs, and organizing staff visits by experts in areas of mutual interest and within the scope of competence of the respective

Parties. The Parties agree to consider in due course other issues and areas of potential cooperation if and when appropriate.

Article 4

The Parties realize that the exchange of information between them could be particularly useful if and where banks or other financial institutions of their respective countries establish or consider establishing on a voluntary basis a cross-border financial institution within the regulatory remit of either of the Parties. Relevant information should be shared on a timely basis between the Parties, to the extent reasonable and permitted by Law.

Article 5

1. In connection with the authorization and licensing process of a financial institution where links to the jurisdiction of the other Party are ascertained, the Parties agree, to the extent permitted by Law, to:
 - (a) notify the other Party of any application received for establishment of a cross-border financial institution or acquisition of participatory interest in an existing financial institution in an amount requiring the receiving Party's preliminary consent or approval;
 - (b) upon request by the receiving Party, inform whether the applicant financial institution is in substantial compliance with Law and whether it may be expected, given its administrative structure and internal controls, to manage the cross-border financial institution in an orderly manner;
 - (c) share information on the fitness and propriety of prospective directors, senior officers, and relevant shareholders of the cross-border financial institution; and
 - (d) cooperate and share relevant information in the process of decision making with regard to the applications subject of this paragraph.
2. Upon request, each Party agrees to provide the other Party information about the nature of its regulatory system, supervisory procedures, and rules for cross-border supervision of financial institutions.

Article 6

This MoU is without prejudice to Law concerning provision of confidential information. Each of the Parties should use any information disclosed to it by the other Party only for the purposes for which the information was disclosed, unless the other Party consents to other uses.

If either Party is legally required to disclose any information provided to it by the other Party, such Party should promptly notify the other Party and use all reasonable means to resist such a demand or protect the confidentiality of the information. In the event of release of information under this paragraph, it should be on condition that the third party will use it only for lawful purposes, be under the same confidentiality restrictions, and be subject to any other conditions required by the Party which originally provided the information.

Article 7

This MoU is not legally binding and is only a statement of the intent of the Parties to establish mutually beneficial cooperation and communication in covered areas. The Parties have not hereby made any commitment or entered into any legally binding agreement.

No provision of this MoU is intended to give rise to the right of any person, entity, or governmental authority, directly or indirectly, to obtain any information or to challenge the execution of a request for information under this MoU.

Article 8

Any dispute or disagreement arising from the execution of this MoU shall be settled through consultations. If either Party wants to terminate the MoU, it shall inform the other Party in writing 30 days prior to the intended termination date. The actions the Parties have carried out in accordance with this MoU shall remain effective unless requested to be cancelled by either Party.

Article 9

This MoU is subject to review by both Parties every five (5) years. It can be amended in the future on the basis of an assessment by both Parties of possible future cross-border activities of financial institutions which might be within the regulatory remit of either of the Parties. Any supplement or amendment may be made through the signing of a supplementary MoU, which shall be deemed a part of this MoU.

Article 10

This MoU shall be effective from the date of its signing by the Parties. Should it be signed on different dates, the later of the dates shall prevail.

Article 11

This MoU is made in English language with two copies. Communication between the Parties under this MoU shall be in English. Every effort will be made to encourage continuous and informal contacts between staff of both Parties.

Bangko Sentral ng Pilipinas

By:



Nestor A. Espenilla, Jr.
Governor

Date: 03 OCTOBER 2018

Czech National Bank

By:



Jiří Rusnok
Governor

Date: 12 OCTOBER 2018

DESIGNATED CONTACT PERSONS

Bangko Sentral ng Pilipinas

- 1) FONACIER Chuchi G.
Deputy Governor
Financial Supervision Sector
Tel: +63 2 708 7764
E-mail: CFonacier@bsp.gov.ph

- 2) JAVIER Lyn I.
Managing Director
Supervisory Policy Sub-Sector
Tel: +63 2 708 7249
E-mail: ljavier@bsp.gov.ph

- 3) BAYANGOS Veronica B.
Director
Office of Supervisory Policy Development
Tel: +63 2 708 7337
E-mail: VBayangos@bsp.gov.ph

Address: A. Mabini St. cor. P. Ocampo St.,
Malate Manila, Philippines 1004
Website: www.bsp.gov.ph

Czech National Bank

- 1) TOMŠÍK Vladimír
Vice-Governor
Tel: +420 22441 2010
E-mail: vladimir.tomsik@cnb.cz

- 2) ZAHŘÁDKA Ivan
Director International Cooperation Division
Financial Market Regulation and Intl Cooperation Department
Tel: +420 224 412 458
E-mail: ivan.zahradka@cnb.cz

Address: Na Příkopě 28, 115 03 Prague 1
Czech Republic
Website: www.cnb.cz